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DIRECTOR'S STATE OF THE AGENCY ADDRESS

30 June 1972

I hope this morning to keep the State of the Agency message much more informal than has been the case in past years. Rather than give a prepared address I will talk off-the-cuff for a few minutes and then I'd like to have you ask some questions. In this way we can insure that I direct my attention to things of interest to you that I may not touch on in my informal remarks.

I was reminded coming down here of a story which may be old to some and new to others but I'll take a chance and tell it anyway because I think that in its peculiar way it sets a sort of a focus on the kind of life we lead in the Agency and some of the uneven problems we have. This is the story of a traveling salesman, (don't start laughing because it doesn't come out the way you think it does), who about midnight one night got a flat tire on a bridge across a roaring stream. As the rain pounded down, he got out and got his jack out and got himself organized to change the tire. In the process of this he took the hubcap off the offending wheel and he put it up on the edge of the bridge on a little stone parapet and then he took the lugs off the wheel and put them very carefully inside the hubcap. Then he got himself down to get the tire off. But as he gave it that extra lurch and as he lurched back, off went the hubcap and the lugs into the roaring stream. The rain was still pelting down. He got up, tried to remember exactly how far it was to the next town, or how far he'd come from the town he'd been in before. As he was focussing on this problem he saw a strange little figure standing behind a fence just on the other side of the stream looking at him intently. He wondered how long that man had been there and he was uncomfortable because of the lateness of the hour. But anyway he turned to him and said, "I've had a flat tire here and maybe you saw what happened."

And the little man said, "Yes."

He said, "How far is it to the next town?"

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Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

The fellow said, "Oh, about five miles."

"How far is it from the town I just came from?"

He said, "Oh, about four and a half."

The fellow said, "Well, I've got to go to one or the other to get some help about this car."

So the little man said, "What's your problem?" And the driver explained in great detail just what had happened to him. The little man said, "Look, instead of walking to one town or the other, why don't you just go around the automobile and take one lug off the other three tires and put those lugs on the fourth tire and that will enable you to drive to the next town where then you can get yourself properly taken care of in a garage." The traveling salesman thought about this. His eyes visibly brightened. But he began to get very pensive and had a very strange feeling. And suddenly he said, "Isn't that building over there the insane asylum?"

The little man said, "Yes, t'is."

And he said, "Well, are you an inmate?"

And the little man said, "Yes, I am."

He said, "Well, how were you able to figure out this thing?"

And the little fellow said, "Well, I may be crazy but I don't have to be stupid."

Maybe you see what I mean.

I think the state of the Agency these days can be described as "good." Maybe some of you will say, "Well, what does he mean by that? After all I don't think it's good--there's this wrong, that wrong, or the other thing wrong." Maybe so. But taken in the aggregate I think that the answer is "good."

Our intelligence product, which is, I guess, the most important thing we do, is well-regarded in town. It is well-regarded at the White House and the other agencies and the Congress. I am frequently asked by analysts and others, "What is the reaction to the paper we produce? Did it have a good

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

reaction? Did it have a bad reaction? Was there criticism? Because frankly," they say, "we turn these papers out and we never hear anything about them. They just go downtown into a maze of offices, human beings, and there's never any reaction to them." Well, I can only say that that is disheartening, but I don't know of any way to change this particular aspect of our system. People are busy. They don't have time to sit down and thoughtfully answer the question," What do you think of the product?" The minute they start to put pen to paper to give some sort of a formal reply, they feel it necessary to qualify this and speak about that. And finally the paper never gets written and we never hear about it.

As you all know, the normal business of government is handled these days in a series of committees. They have different names. There's the Washington Special Action Group. There's a Senior Review Group. And there's a Vietnam Special Group, and there's a 40 Committee, and there's a DPRC and there are various other names. I'm not even sure after all these years exactly why it is that a particular group is called by this particular name on this particular day. We're always the same people in the room.

Dr. Kissinger chairs these meetings. The Under Secretary of State, and the Deputy Secretary of Defense, and the Chairman of the Joint Chiefs, and myself are the others that are regularly there. Occasionally there's an outrider or two added for some specific problem, but by and large we are the same people. We have become fairly well used to working together. This is the way that the President has been able to find to hold the Government together on specific issues particularly where actions are required so that the actions are coordinated and everybody knows what everybody else is doing.

When I go to these meetings, I do represent the Intelligence Community. More particularly I do represent the Agency. I try to confine myself to intelligence topics and intelligence subjects and stay out of the policy making which I think is wise and which I believe others think is wise. But in the process I do have an opportunity to pass on the judgments which have been made in the Agency. I think you'd be surprised the extent to which I restrain myself from voicing my own personal opinions on various subjects.

I try to deal with the conclusions and the judgments which the analysts here and others have arrived at. We discuss these beforehand, I have a chance to go over them, I have a pretty good idea of what you're all thinking about. And even if you have disagreements, I've got a pretty good idea what those disagreements are. So that the message does get through. And I think

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

you can feel comfortable about this. And I think you can feel reassured about it. You are doing a good job. Maybe you're not being patted on the head about it or being told every other day that, "Isn't it great what you're doing; we couldn't do without you." But it is good to go home at night and know that what you've worked very hard on and may have spent a lot of extra hours on is not lost in the maelstrom. It gets read. People see it.

We've had a great deal of work to do in connection with both of the President's trips--the one to China and the one to Russia. The intelligence underpinning for those trips has been considerable. It has been volumes of work. And I know very well that those volumes have been studied. It's the way the President, and Kissinger, and various others prepare themselves for these trips. So that you can rely on the fact that it got home. They don't say very much about it, but they understand it.

At the time when Secretary Connally was busily negotiating some changes in the monetary arrangements and economic relationships, we prepared endless numbers of papers in support of this activity. First-class papers, too, I might say. And there's no question that when you ask these individuals, "What did you think of such and such a paper?" you're told "Oh, gee, that was great."

On Vietnam, for example, we have been producing a type of paper which is an agonizing thing to do, trying to answer questions put by the Administration about how long Hanoi can fight under this condition, under that condition, and under some other condition. Those of you familiar with the material know that this is dealing with a lot of pretty soft figures because it concerns a country that has never had all that much in the way of statistics to begin with and then over and above that has been trying to hide the true facts for many, many years. This is a pretty tough baseline to start with. But as the months have gone by, it has become clear that our judgments have been pretty good judgments and pretty accurate judgments, but that doesn't mean that the work becomes any less--the questions become tougher.

As peace seems to slide away and then negotiations begin and then peace seems to slide away again, there is obviously a compelling desire on the part of those making policy to know what's happening, what's going to happen, how soon is it going to happen, have these actions we've taken had the results we thought they were going to have? And one is frequently in the position of the so-called bad news-good news syndrome.

But be that as it may, the analysis, the thoughtfulness, and the long hours of work far into the night in preparation of these papers has been

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

recognized and is recognized up to and including just the day before yesterday when Dr. Kissinger, and Alexis Johnson, and Kenneth Rush all agreed that a series of papers done on Vietnam--I say a series of papers: there were in fact two papers but a series of questions, replies to which had been submitted--were "outstanding." I don't think you do any better than that in the analytic field.

In a different way during the India-Pakistan fracas here some months ago, the Agency reporting--not only the Situation Reports which go down twice a day, but the reporting from the field--was of first order. There wasn't any lack of intelligence about what was happening in the India-Pakistan War. Whether you liked the policy of the Administration or didn't like the policy of the Administration; whether you agreed with it or didn't agree with it is beside the point. The fact of the matter was that what was happening, what was going to happen, was all clearly laid out and the intelligence collection as well as analysis was, in my opinion, first-class. Obviously, nothing ever happens that can't be improved and that we shouldn't try to improve and that there was a hole here and a lack of coverage there and so forth. But the fact remained that basically it was what was required.

Now this in turn has one effect which I don't think is all that desirable. The better one does in any given situation, the more one creates an appetite on the part of the client for a continuous improvement in one's performance. And that's a pretty hard thing to achieve, particularly in a short time frame. Thus some of the criticisms or sharp remarks or whatever one hears from time to time, wouldn't have been heard ten years ago because the appetite hadn't been created. But it has been created now and therefore our material has always got to be better, it has got to be better. Why didn't we have this? Why didn't we have that? Why didn't we know this? Why didn't we know that? And in the end I suppose there isn't any really good reason why we didn't, except we just didn't.

Having said all that, we obviously have still with us problems that we're going to have to wrestle with as the months go by. We're not going to get any more money, you can count on that. We're not going to have any more people; in fact, we may have a few fewer by the time another fiscal year has gone by. You recognize that we're on the eve of a new fiscal year so that starting at midnight today we start writing on a new sheet of paper. By the time fiscal '73 is over, I would hope that the Agency is somewhat smaller than it is now. You've heard me on this subject before and I'm not going to worry the point. I think we'll do better with a few less people. After all, work--good work--first-class work is not accomplished by masses;

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

it's accomplished by the dedicated thought of a relatively few human beings. And I don't think that we need to feel that because we're trimming our sails and trying to take off some of the fat, that this is a bad thing. It may be a bad thing if you as a human being lose your job, but then there's no reason why you should lose your job if you're doing it properly and doing it with some conscientiousness.

We've been asked to increase our requirements in the collection field, particularly on narcotics and a bit more on economic, fiscal and monetary intelligence. We may want to add a few people to help with this, but I think that within the general compass of what we have we can do a creditable job. If we find that we can't, obviously we'll change. But these are worthy targets. I don't know that in the Congress there's as much sympathy for this, particularly in economic intelligence, as there is in the Administration. But I would surmise that we're going to stay with this economic intelligence picture because the United States is going into a new phase in its history where industrial competition is not all in our favor. We are up against a pretty tough job of selling American products, keeping up employment of American labor, and keeping the economy of this country in a healthy state. This means that we're going to have to be a lot more competitive abroad and as we become more competitive abroad, there's going to be more and more pressure on the Government to help business remain that way. I don't want to spend time on this subject. If any of you are interested in it, you can go to OER and they'll tell you all about it. But the problem is here and it's not going to go away. American technology is not going to take off again with any quantum jump the way it did after World War II and during the 20 years since.

On the question of narcotics and drugs, I want to spend a moment on one subject. That is this business of articles in the newspapers and magazines and allegations that the Agency is involved in the drug traffic, particularly in Southeast Asia. The recent spate of stories has been worked around a book which is being brought out by a young man named Alfred McCoy who testified before Senator Proxmire's Appropriations Subcommittee the other day and made a whole series of allegations about Laotian officials, Air America, the CIA, and so forth. What we're seeing here in my opinion is a rather new phenomenon in this country. All of us have been familiar with the unscrupulous businessman or the unscrupulous labor leader, but the unscrupulous graduate student is something new. And this is what we're seeing now. This man has no capacity to support his allegations. He makes these assertions. He writes books. He doesn't show you the footnotes. He doesn't show you the sources. He just says this is the way it is. I talked to

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

so and so and he said such and such. And I talked to this one and he said that. And this is a fact. And there we are.

I find it, I think, as hard to take as anything I know. And the reason I find it hard to take is not far to seek. None of us want to be in that position of having it thought in the American public that we condone or assist or traffic in anything as damaging to our society as drugs. We are all, if we're not parents, at least are related to those who are. Some of us have our own children. The last thing we'd be interested in is undermining the society in which we hope they will grow up to be healthy citizens. And to have these assertions made blandly and coldly the way they are is reprehensible. We are doing what we can in a, I hope, dignified way to knock down these assertions, but they keep raising their ugly head. And the same statement from one individual keeps being repeated, and repeated, and repeated.

I mention this not only to tell you how concerned I am about it, but to suggest that any of you who hear these assertions among your friends, or neighbors, or at PTA, or the football games, or cocktail parties, or wherever you happen to be, knock them down and knock them down hard. Don't pussyfoot around something like this. You can just say it isn't true because it's not true and you can take that from me with absolute confidence. I realize that most of you are well-schooled and well-disciplined and have learned not to get into controversies about the Agency and its works outside of the building, but on this particular subject, be my guest. And hit it as hard as you like. And if you would like to punch somebody in the nose, I'll hire the lawyer to defend you.

We've had a spate this year, as usual, of leaks and exposures and things of that kind. I suppose the most dramatic were the Jack Anderson papers about the WSAG meetings on the India-Pakistan War. I must say they jolted the group downtown. There's no doubt about it. He obviously got hold of the documents themselves and we were all somewhat awed by the detailed notes that one of the military officers had taken at these meetings. But be that as it may, it did jolt the assembled group. I don't want to go on about this, except that I do want to say to you that it has been established where Anderson got this group of papers and telegrams and so forth and action has been taken to see that it doesn't happen again. I don't want to go any further with it than that, but I think that you might have this assurance that this is not a running sore. It has been cauterized.

You've all seen the Agency Notice on our suit against Victor Marchetti. I don't think I need to expand on that particularly. One can worry these points

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

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Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

to death. We're not interested here in taking away your First Amendment rights. I don't see any of you looking as though you were behind iron bars or being repressed or anything of that kind. But we do have the secrecy agreements in the Agency for good and sufficient reasons. I think that all of you who work here understand that. It isn't because we're anxious to exercise thought control or censorship or any of these reprehensible things. We're simply interested in maintaining the integrity and secrecy of a kind of work which requires secrecy. I can assure you that if we were not to do this, we would no longer be able to maintain relationships with other intelligence organizations around the world and other governments. When one establishes a fiduciary relationship, it's supposed to be fiduciary. It isn't subject to leaking on both sides. That's no way to run any business or run any arrangements. And sometimes the things that come out are not all that important in and of themselves or all that dramatic or all that traumatic, if you want to put it that way. On the other hand, there are certain things that should remain secret for very good diplomatic and other reasons. And for the individual to decide that he's going to leave the Agency and then use his employment here to make his living by leaking the Agency's secrets is a reprehensible way to conduct one's business.

We may divide as a group on the "kiss and tell" type of book that all kinds of Government officials write after they leave office. The type that deals with what Joe said to Pete, and what the President said to him. Usually these books seem to be designed to demonstrate that the writer was in the President's presence almost continuously from the time he cleans his teeth in the morning to the time he cleans his teeth at night. This is felt to be a proper subject for a book because everybody is interested in those little intimate human details which don't come out in the papers very often. I've never found this very attractive. I don't find it attractive in newspaper columns any more than I do in pretentious books. But the fact of the matter remains that a lot of that goes on. And if it's desirable to write a book about the Agency, be our guest just as long as you don't get into matters that we regard as classified.

But I really must say that if one is intelligent enough to get into the Central Intelligence Agency, one is intelligent enough to understand why we are trying to do our business the way we are. And that if there's anything left over after my saying that, there are several of us who would be delighted to sit down with any one of you individually and go through it and explain it more in detail. But I do believe that it's sound. It has stood the stresses and strains of 25 years. We would change it if we thought it was desirable to change it. It isn't necessarily a question of trying to keep those

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

tiny little things secret because one of us wants to seem more important than the other. That's not the point at all. There are just a lot of things that we're involved in that just shouldn't be in the public domain and that's all there is to it. And if one wants to have the privilege of working here, and I think it is a privilege to work in the Agency, then I think that one should be prepared to abide by the rules and, you know, be a decent citizen.

The latest notoriety that we've had, I suppose, is in connection with the Watergate Caper. The other night I was out at dinner and a lady and gentleman walked in--the gentleman being one of the senior officers in this Agency. His wife came up to me and said, "You know, the only thing about that Watergate Caper I didn't like was that it looked to me as though those people that had been identified with the Agency were a bunch of bumblers." And I said, "Well, I couldn't agree with you more. It rather pained me too --the impression it left. But let me just say something to you. That if we, as an organization, want to enter some building or some apartment, we don't use your husband." Well, she thought probably this was about right and it rather put this thing in perspective. That there aren't many of you that I would entrust with the job of entering some closed building. I don't think you'd know how to do it. And if you had picked up a little bit of information at one of the training courses about it, then I would certainly not let you do it--on the theory that a little knowledge is a dangerous thing. Obviously in the Agency we have those who know how to do these things; that's why you don't hear about them. In any event to put your minds at rest, whatever was behind that caper, and I frankly don't know so I'm not holding out on you, whatever the purpose of it was, for whatever reason they went into the Watergate office of the Democratic National Committee, I can say that although these individuals did indeed have Agency relationships, they had not had them for some time. I don't know what's behind it, I don't know who put up the money, I don't really know anything about it. But I want to put your mind at rest; the Agency had nothing whatever to do with it.

On that general score, you will have noticed from the various wrenchings and groanings that have been going around the building, that there's a new classification system issued by the Administration. We've got to abide by this classification system and therefore I bespeak your cooperation in getting us converted to the new system. And I know it is being painful. On the other hand, I think there are some limits which I'm going to try to impose on declassification of Agency papers. Until I've fought this through the Government, I don't know how it will come out. But in the meantime I don't want you all jumping to a lot of conclusions that papers are going to be downgraded automatically after 30 years, 20 years, 10 years and so forth, particularly

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Agency papers. My approach to this problem has not come to the end of the road. I repeat, it would be a mistake for me to try and predict how it's going to come out, but I don't want you all to anticipate me because I intend to dig my heels in about it and see if we can't maintain control over our papers in the future as we have in the past.

As we look down the road a bit, I think that we're going to have an interesting time in our new relationship with the Intelligence Community. I say "new" relationship, but it isn't all that new. There are certain aspects of it that are new, however, and we're certainly going to work in the budgetary and program sense much more in harness than we have in the past. I trust that this will be useful and it will work successfully. It's going to be a slow process. One must recognize that in empowering me to take certain actions, --I was asked to do them but I wasn't given any strength to do them with. So that the other agencies are still under the command of the Secretary of Defense. None of these things have been changed. It is therefore through persuasion and hard work and maybe good sense that we hope to achieve the objectives that we've been given. I used a moment ago the word "empowered." I want to withdraw that. I wasn't "empowered" to do anything; I was asked to do certain things.

I also want to make note, at this particular juncture, of the importance that is going to be attached to our product and our judgments in connection with the SALT agreements. I've now testified before three Senate committees about our ability to verify or to monitor these agreements. I think the committees have been satisfied with what I had to say and satisfied that we're capable of doing it within reasonable limits and on a reasonably timely basis. But let us not forget that this is a responsibility we now have. Intelligence has never had this responsibility in history before. It may seem sort of routine and old hat to you, but if one stops to think, this is the first time ever that an intelligence group has been given or asked to perform a function of this kind. And that in itself is rather dramatic. All the more reason why we have to do it well and competently. But it's there. I believe we can do it, I think we've got the technical systems and human resources to do it and do it adequately. But it's going to mean constant attention. Even better and more accurate work. And I bespeak the assistance of all of you. But I think you can take pride in this.

Our knowledge of the military resources and equipment of the Soviet Union and China has advanced remarkably in the last ten, twelve years. We're in an infinitely better position today than we ever were. We know

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

far more about these things than we ever did before. And I can only say that this again causes us that inevitable problem that the more we know, the more people want us to know. And the more one recognizes what one doesn't know, the harder people are on you about it when you say, "Well, we don't know this." "Well, why don't you? You've been able to do these other things, you ought to be able to get with this." Well, I assume that little by little we will get with these various things because there are areas where our coverage is not very good. On the other hand, as a taxpayer when you come to work in the morning, you can take solace in the fact that your country's intelligence knows so much about what the Russians have and what the Chinese have that it is not like anything that has ever occurred in history before.

I'd like to conclude by saying that our objectives in the Central Intelligence Agency have not changed through the years. We'll have some kind of an anniversary celebration, if you like, in the fall when our 25 years is literally up. But when Allen Dulles picked the motto of the Agency and had it engraved, chiseled out of the marble in the wall of the main entranceway, he picked the motto well and thoughtfully. There's been no change in that. We stand for the same truth and objectivity and integrity of performance today that we did in his day and before him. And I hope that it will always continue this way. We're an apolitical organization. We're dedicated to professionalism and fairness; and I simply would like to leave that message with you--that there's been no change. We may have our problems from time to time; we certainly have our pressures. Each side would like to have us on their side, there's no doubt about it, be they Democrats or Republicans or Mugwumps. Everybody would like to have the Agency lined up on that side, but we've got to go down the middle of the road or the middle of the corridor or whatever you like. Please both sides, impress both sides, demonstrate that we know how to do our job--to stay out of politics and to be dedicated to truth.

Questions, please.

Q: A representative of the Secretary of the Treasury has recently been included in USIB. Would you provide the background reasons behind his inclusion and what kind of a role do you see him playing?

A: The Treasury Department was added to USIB in the so-called intelligence reorganization of November 5 because of the increasing importance of fiscal and monetary intelligence. As I mentioned a few moments ago, this

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

is now very much front-and-center in the Government and is regarded as of great importance by the President. And since the Secretary of the Treasury is the man who presides over those policies, it was felt that the Treasury should be locked in and brought much more into the Intelligence Community and its products. Thus far, the Treasury representatives have sat with us on certain of the Estimates that have been written. John Huizenga was telling me this morning that he would describe their participation thus far as "selective" because they are still feeling their way as to how they want to participate or how they can participate. But the new Secretary of the Treasury is very much behind this and this will develop with the passage of time. And I think we'll see probably a very good representation from the Treasury.

Q: I notice from the Pentagon Papers that the Agency did quite well in assessing the effectiveness of bombing in Vietnam back in the early days. Was our guess on the effectiveness of this present bombing done accurately? Did our people know about the effectiveness of the so-called smart bomb? Or were we going on with the same idea that that would be ineffective?

A: I don't believe that we made any judgments about how effective it was going to be when it started. And we're having some trouble in finding out even now how effective it is. In point of fact, it would be a misunderstanding of our role if one were to say that we sit down as soon as some bombing starts and write a paper and say how effective it's going to be. We wait until we've got some evidence. And what we think is adequate evidence. It's never quite adequate but at least something on which we can make some judgments about how well it was carried out.

The advent of the smart bomb, obviously, has made the taking-out of certain smaller targets a do-able thing; but we aren't going to make any judgment about whether the smart bomb is a good idea or a bad idea until we've seen the results. There's a lot of aerial photography which goes on over North Vietnam and the results are gradually coming in. And one of these days we'll have enough to feel that we can make some sort of a sensible judgment about it. But there's no doubt that ever since World War II, if there was anything needed in the bombing field it was what's called the smart bomb. To those of you who've not read the papers or are not familiar with this, this is a device whereby two airplanes fly together. A laser beam is focussed from one airplane onto the target that one wants to hit and then the bomb is launched by the other aircraft and it runs down the beam to the target--obviously a much better way to do it than it is to drop it out of the sky. And

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

for those of you who worked in World War II with bombing and strategic bombing survey and things of that kind, you all are keenly aware that tons of ordnance can be dropped out of the sky with very little value or damage to anything if it isn't properly guided or properly directed. So that this business of bombing more accurately through this means has made it possible to take out bridges and other things on which in previous bombing raids the sky has been full of bombs but the bridge has still been standing.

Q: You alluded earlier to the President asking you to take a larger role in coordinating certain activities in the Intelligence Community. I wonder in the few months that have ensued since then, has there been any impact on the Agency and what further impact do you see in the few years ahead?

A: I can't say that there's been any substantial impact thus far. We've been trying to organize to do this job. We've been trying to get people used to the idea that we have the job to do and that doesn't take just a day or two. We're dealing in certain of the other agencies with some new officers and they've got to get the ground under them, or the chair under them, and understand a little bit better what their problems are. But I would think that in the next year or two that this would start to have some impact and that we would have a better feel for what the other agencies can do, what their size ought to be, whether their missions and roles should be changed somewhat, and whether or not it's possible to save some money.

The basic injunction that I was given was either to try to save money, or, if I couldn't do that, to develop a better product--one or the other. Neither of these--you know very well--is a simple thing to do and I submit in evidence that the least desirable way to approach this would be to go around town breaking a lot of crockery. That simply incurs resentments and will not achieve what we're trying to do. This is a complicated, difficult task. How many people do you know who would say--if you walk up to them and look them in the eye and ask if their job is really useful for anything--"No, it's not useful for a damn thing." Therefore, if hundreds of human beings are involved in tasks which they regard as important and useful to the intelligence product and the Intelligence Community, changing the situation requires, in the first place, that one inform himself adequately about what they're doing, then really establishing that it isn't necessary, and then reorienting that to something more useful. Now, that's not easy. And this is going to take time and I wanted to take time.

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Q: One could infer from the changing goals of the United States in the end of the post-World War II era, getting into economic intelligence more, narcotics, so on and so forth, that the Clandestine Service in the Agency, particularly, might have a difficult time continuing what they were doing. Is there to be a changed emphasis in goals for the Clandestine Service?

A: I don't think that there's to be any change in role and I don't think a change in role would be desirable. The Clandestine Service is set up and established to perform these functions and that's what it's going to continue to do. The thing that I would put just a cautionary note on is that the Clandestine Service is not going to be involved, in my opinion, within the predictable future in any large-scale paramilitary operations. After the Bay of Pigs and now with our problems in Laos with the Congress, it simply is not politic for us to get involved in something like that again. And I think it will be some years before the cycle goes around and it may be found desirable to get us back into it. The reason for this is simple enough and that is that there are a certain group of Senators and Congressmen who feel that the Agency should focus more on the intelligence business and less on the action business. And then the other side of that coin are those Congressmen and Senators who don't think we should be involved in covert action at all, that covert action is reprehensible, that it's demeaning, that it's the wrong thing for the United States Government to be involved in, that it's an intrusion into the domestic affairs of other governments, and therefore should not be done under any circumstances. And some of these Senators are so persuaded of this and convinced of it that they would be prepared to blow the whistle on something we were doing if they could find out that in fact we were doing it. So this presents us with rather a difficult problem. And therefore we may tread more quietly, we may tread more lightly, we may try to confine ourselves to actions which are more manageable and cause less attention and so forth, but we're going to remain in the business.

Q: I can see the increased emphasis on economic intelligence requiring a considerable degree of coordination between our Agency and other agencies of the Government that are not involved in intelligence; for example, Agriculture, Commerce, and you alluded to the inclusion of the Treasury Department representative on the USIB Board. Are there any other special mechanisms being set up to facilitate inter-Agency coordination?

A: I wouldn't be surprised if there were. I don't know exactly in what direction we're going to go. You know there's an economic intelligence subcommittee of USIB right now. But you're dead right when you put your

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

finger on the interest of some of these other agencies that have been pretty peripheral to the Intelligence Community over the years--like Agriculture, and Commerce, and so on--and it may well be we're going to have to find some system whereby we can tie them in more closely and be more useful to them and they be more useful to us. This we're going to have to examine and do a little experimenting with, I think. One of the problems is a practical one. One sends intelligence publications down to the Department of Agriculture; well, there are practically no safes in the Department of Agriculture. There are these holding problems. It isn't that anybody is bloody minded or insecure; that's not the point. It's simply that they aren't geared up to operate in this kind of an area, this kind of a situation.

Q: Sir, you mentioned earlier that you'd briefed several subcommittees on the SALT agreements. And you mentioned to them that we can monitor these agreements. Do you foresee any great difficulty in having these committees convince the rest of the Senate and thereby having the agreement passed?

A: Well, there is a problem. During the hearing before the Senate Foreign Relations Committee, Senator Fulbright came up to me and said that he was very sorry that all 100 Senators couldn't hear what I had had to say. That he thought that it would be enormously educational and reassuring to them. And wasn't there some way we could achieve this? And I said, well, I was sorry, that I would like to talk to all 100 Senators and would have no reluctance except that some of the methods we are using were ones that we wanted to keep private and secret and that we would be giving a lot away if we had to put this in the public domain. And I felt that all things being equal, particularly since I'd appeared before three committees which meant quite a few Senators had at least had the opportunity if they chose to avail themselves of it to hear the testimony, that they'd have to, the rest of them would just have to take somebody's word for it. But you've got a very good point. It is too bad that this can't be laid out for the American public. But we've faced that, and have looked at the implications of doing it and have come down on the side of maintaining some security screen around our ability to monitor these treaties and agreements, as to how we do it, and why we do it, and the way we're going to do it. And we'll just have to see if this works.

Q: Would you care to speculate on the impact to the Agency of the election of Senator McGovern this November?

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

A: I would not predict that anyone elected President of the United States is going to cause that big a problem for the Central Intelligence Agency. A strange thing happens to human beings when they walk into the Oval Office for the first time. They suddenly recognize that they may have had a long, hard, tough road to get there, but once they're there they might just as well settle down and do a good job as President of the United States because they've got no place to go. And quite aside from that, they tend to take this in a way that is almost unpredictable. It actually changes the character of the man in many respects. Oh, sure, they bring along some of the residual abilities that they've had and residual points of view. But the capacity of Presidents to change in office because they think it's good for the country or would be good for the country as it sits in the international scene or something of this kind is almost infinite.

And I think that we should never get ourselves in the frame of mind where the election of so-and-so is going to turn out to be that "disaster." It may be a disaster for some other reason but certainly it's no disaster as far as this Agency is concerned. Presidents have to have information. Presidents need advice. Presidents have got to have some place to go to get educated. They've got to find out and keep continually on top of what's going on in the world. And I don't even think that George McGovern, with the various things he's had to say, is going to on his first day in office turn around and say we don't want any more Central Intelligence Agency. As a matter of fact, he'll probably want us more and more. Even Eugene McCarthy who was running for President the last time, and not so strongly this time, was very critical of the Agency about a lot of things--in private he was quite understanding.

And may I say that all of these individuals have noted that the Agency is apolitical. And therefore they're not up tight on that issue at all --any of them. As a matter of fact I happened to go swimming last summer at the home of a Republican. And it was a hot Saturday and I put on my trunks and dove in the pool and came up and found myself facing in the pool George McGovern. His first comment to me was, "You certainly came out well in the Pentagon Papers."

Q: Do you notice any change in our relationships with the FBI since the new Acting Director has taken over?

A: That's a good question. There hasn't been very much time for any change particularly to have manifested itself, but there isn't any doubt

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

that relations are going to be a lot easier from now on. For one reason, the FBI itself is going to be less up tight about following to the exact letter of the law every single injunction that Mr. Hoover laid down because the new gentleman, Mr. Patrick Gray, isn't up tight about the Agency and, as far as I know, he isn't up tight about anything. He's just trying to learn his job and get on with it. And a difficult role he has. He came to see me very shortly after he took over his job, and we had a very sensible and straightforward talk. I told him that the Agency was probably the least of his problems.

There are certain things in this town that get hoary-headed and stick like barnacles and that is that there's a bad relationship between the Agency and the FBI. I can't honestly say that it has been chummy over the years. But by the same token we've been able to get our work done and they've been able to get their work done and we've been able to collaborate together on a whole series of things where it was operationally desirable to do so. Some of the actions that the FBI has not undertaken have been no reflection on us; it's because their Director simply didn't want them to do it. But I submit in evidence that at least for the last five and probably the last ten years, the working relationship has been first-class. But because there was some trouble back in the '50's and so forth, there are a lot of people around who simply can't get over this fact.

I don't think either that it's an exaggeration to say that Mr. Hoover himself had a certain antipathy toward the Agency. I'm not exactly sure whence it derived. But if you've held office as long as Mr. Hoover has, you regard certain things as intrusions into your prerogatives. I have no doubt that he regarded us as sort of an intrusion. But whatever it is, it's gone now; and it would seem to me that gradually we'd develop maybe some more informal and perhaps easier ways of doing business than we have in the past. But recognize that there are limitations in this kind of a relationship inevitably; they are built into the two organizations. The different missions, the way they have to conduct their business, the responsibilities of the FBI are entirely different from ours, and therefore there's always going to have to be some adjusting and some recognition of these things. In other words, we're not going to turn into buddy-buddies from one day to the next.

Q: You have mentioned several allegations of Agency involvement in this or that, founded or unfounded. I know on one or two occasions that we have made a more or less formal comment or formal denial. On other occasions we've not said anything at all. I have the feeling now we haven't

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

quite made up our mind whether we think it's wise to speak out a little more than we have in the past or whether we ought to hold to the old line of just passing in silence. And I wondered if you'd comment on that?

A: I think that your statement is an accurate one and I think, also, that probably in the future it's going to continue this way--slightly ambivalent. I know there's one school of thought that feels that every inquiry to the Agency ought to be met by a no-comment. There's another school of thought that thinks we ought to be much more forthcoming and even make statements for the record about our position on various things affecting us. And then I suppose there's a middle ground and as far as I'm concerned I think that the rule of reason ought to prevail on these matters.

I was mentioning the business about drugs. I would obviously prefer just not to comment or get involved in this. But I think in that and anything as serious as these allegations or as serious as the conception that we're involved in the drug traffic, it requires some kind of a reaction from the Agency of a more positive kind than no-comment. Otherwise this thing would perpetuate itself indefinitely. And in this particular field I think it's socially damaging, if you want to put it that way. I feel we must speak up and make some effort to get the record corrected and get it straightened out. Otherwise it'll build up a head of steam and we'll be in a position where we'll never be able to deny it or handle it or deal with it or whatever the case may be.

There are other things which I don't think are so important which I think you can live with perfectly satisfactorily. Your grandmother may not like the fact that you work for an Agency that runs a war in Laos, but on the other hand we do and we are and the history of this is written about and there is no sense in regurgitating it over and over again.

I just think in short that we've got to be a little bit flexible about these public stands and we've got to be able to move in one direction or the other if the situation requires it and the matter is serious enough. I don't recall that except for the drug business we've been getting into public statements. We did write a letter to the Post on the Marchetti case but there was one of these situations where a newspaperman wrote a piece in which he used the old device of the selective omission. And we did feel it important that before everybody in the United States got the impression that the omission existed that we'd better put back what he had selected out. And that was the the purpose of sending a letter to the Post. We won't do much of this. But I do think there are some places where we've got to do it.

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0

I've very much enjoyed being with you and wish you good luck and have a good summer.

Declassified and Approved For Release @ 50-Yr 2014/02/21 : CIA-RDP84-00161R000400210061-0